GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:497
ANSWERED ON:29.04.2005
ASSISTANCE FROM NABARD
Charenamei Shri Mani;Rao Shri Devarakonda Vittal

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has received proposals from vanous States for release of loan/ financial assistance from NABARD for various projects;

(b) if so, the details thereof, State-wise project-wise;

(c) the amount released/sanctioned by NABARD to States during last three years, as on date;

(d) whether NABARD has achieved the target for disbursement of loan to States during the said period;

(e) if so, the details thereof and if not, the steps taken by the Government in this regard;

(f) whether the NABARD has set any conditions for utilizing the loan amount; and

(g) if so, the details thereof?

Answer

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM):

(a) and (b) Proposals from various State Governments for loan/financial assistance are received at NABARD under Rural Infrastructure Development Fund (RIDF). State-wise and Sector-wise details of proposals received from State Governments for sanction under RIDF-X, as on 31st March, 2005 are given in statement-I enclosed.

(c) State-wise amount of loan/financial assistance sanctioned and disbursed during the years 2002-03, 2003-04 and 2004-05 by NABARD is given in statement-II enclosed.

(d) and (e) Disbursement under RIDF is made on the basis of claims made by the State Government after expenditure has been incurred under sanctioned projects. As per internal target set by NABARD for disbursements under RIDF, the achievements are 86%, 80.04% and 95.93% during the years 2002-03, 2003-04 and 2004-05 respectively.

(f) Yes, Sir.

(g) The general terms and conditions for utilising the loan amount are, inter-alia, as under:â€”

The State Government shall utilize the loan amount solely and exclusively for the purpose for which it is sanctioned by NABARD.

State Government shall execute and complete the projects within such time as stipulated in the sanction letter.

The State Government shall adhere to certain stipulations as a pre-qualification requirement for tendering, such as satisfactory track record of the contractor, adequate net worth, experience etc. Early completion of the project through redeployment of additional staff to be ensured by State Government. Maintaining records and furnishing information to NABARD for satisfactory progress of the projects. State Government shall take all necessary steps to remove legal/procedural hurdles in implementation of the projects. Quality control and project monitoring is to be ensured by the project implementing authority. Loans shall be repaid by State Government to NABARD in accordance with the prescribed repayment schedule.